

Message Text

CONFIDENTIAL

PAGE 01 OTTAWA 02008 252303Z

71

ACTION TRSE-00

INFO OCT-01 EUR-25 ISO-00 IO-14 SP-03 AID-20 EB-11 NSC-07

RSC-01 CIEP-02 SS-20 STR-08 OMB-01 CEA-02 CIAE-00

INR-10 NSAE-00 AF-10 ARA-16 EA-11 NEA-14 DRC-01 /177 W

----- 027471

P 252211Z JUN 74

FM AMEMBASSY OTTAWA

TO SECSTATE WASHDC PRIORITY 3837

C O N F I D E N T I A L OTTAWA 2008

STATE PASS TREASURY

E.O. 11652: GDS

TAGS: EFIN, IBRD, IMF, CA

SUBJECT: WORLD BANK/IMF PROPOSALS TO INCREASE EXECUTIVE DIRECT-
ORS AND ALTERNATES SALARIES

REF: STATE 132801

1. EMBOFF PRESENTED U.S. POSITION AS SET FORTH
REFTEL TO MR. FORTIN (ACTING CHIEF, INTERNATIONAL
ORGANIZATION, INTERNATIONAL FINANCE DIVISION, FINANCE
DEPARTMENT) ON JUNE 24 AND REQUESTED CANADIAN
OPPOSITION TO IBRD/IMF RESOLUTION ON SUBJECT
COMPENSATION PROPOSALS.

2. FORTIN NOTED THAT EMBASSY PRESENTATION CAME AT
OPPORTUNE TIME IN VIEW OF IMMINENT FINANCE DEPARTMENT DECISION
ON SALARY PROPOSALS. FORTIN EXPRESSED GOC
UNHAPPINESS WITH WAY SALARY PROPOSALS ARE DEVELOPED,
STATING THAT METHOD ALLOWS VIRTUALLY NO POSSIBILITY
FOR DISCUSSION, ONLY A YES OR NO VOTE. IN FORTIN'S
PERSONAL VIEW, CANADA WILL PROBABLY AGREE TO THE
INCREASES BUT OPPOSE YEARLY REVIEW OF REMUNERATION.
FORTIN PARENTHETICALLY NOTED THAT GOVERNORS SUBCOMMITTEE
REPORT RECOMMENDING THE PROPOSALS HAD BEEN SIGNED BY
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 OTTAWA 02008 252303Z

A CANADIAN (JOHN DEUTSCH), IMPLYING THAT THIS MIGHT

MAKE IT AWKWARD FOR THE GOC TO OPPOSE THE SALARY INCREASES.

3. ON A RATHER DEFENSIVE NOTE, FORTIN RECALLED EMBOFF'S REPRESENTATIONS TO HIM IN MAY (OTTAWA TELEGRAM 1292) SEEKING GOC OPPOSITION TO IBRD/IMF STAFF SALARY INCREASES AND A PENSION PLAN PROPOSAL. FORTIN APOLOGIZED FOR NOT HAVING INFORMED EMBOFF AS TO WHAT HAD HAPPENED ON THIS MATTER, NAMELY, THAT CANADIAN EXECUTIVE DIRECTOR IN WASHINGTON HAD TAKEN IT UPON HIMSELF TO FAVOR THE COMPENSATION INCREASES WITHOUT REFERENCE TO OTTAWA.

4. SUBSEQUENTLY, ECON COUNSELOR DISCUSSED MATTER IN SEPARATE CONVERSATIONS WITH ASSISTANT DEPUTY MINISTER RODNEY GREY AND WILLIAM HOOD (WHO ARE RESPONSIBLE, RESPECTIVELY, FOR IBRD AND IMF QUESTIONS IN FINANCE DEPARTMENT) AND INVITED THEIR PERSONAL ATTENTION TO U.S. VIEWS. BOTH GREY AND HOOD INDICATED SUBCOMMITTEE RECOMMENDATIONS ARE VIEWED WITH CONCERN AND ARE PRESENTING GOC WITH DIFFICULT DECISION. THEY WOULD NOT PREDICT HOW ISSUE WOULD BE RESOLVED IN GOC BUT TOOK NOTE OF U.S. VIEWS AND EXPRESSED APPRECIATION FOR OUR COMMENTS. HOOD, WHO IS ALSO CANADIAN ALTERNATE GOVERNOR FOR IMF, EXPRESSED PARTICULAR INTEREST IN U.S. CALCULATIONS RE EQUIVALENT TAXABLE SALARIES.

5. COMMENT: IT WOULD APPEAR THAT GOC STILL UP IN THE AIR ON THIS ISSUE. STATE AND TREASURY MAY WISH TO CONSIDER WHETHER ANY HIGH-LEVEL APPROACHES TO CANADIANS COULD USEFULLY BE MADE FROM THE WASHINGTON END.
PORTER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: WAGES, PERSONNEL
Control Number: n/a
Copy: SINGLE
Draft Date: 25 JUN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: garlanwa
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974OTTAWA02008
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D740167-0571
From: OTTAWA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740616/aaaaanej.tel
Line Count: 94
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION TRSE
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: STATE 132801
Review Action: RELEASED, APPROVED
Review Authority: garlanwa
Review Comment: n/a
Review Content Flags:
Review Date: 16 APR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 APR 2002 by izenbei0>; APPROVED <06-Aug-2002 by garlanwa>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: WORLD BANK/IMF PROPOSALS TO INCREASE EXECUTIVE DIRECT-ORS AND ALTERNATES SALARIES
TAGS: EFIN, CA, IBRD, IMF
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005